

**National Association of Counties  
National League of Cities  
Government Finance Officers Association**

May 17, 2006

The Honorable Larry Craig  
United States Senate  
520 Hart Senate Office Building  
Washington, D.C. 20510-1203

Dear Senator Craig:

We write to express our appreciation for your remarks on the floor of the United States Senate during consideration of H.R. 4297, Tax Increase Prevention and Reconciliation Act of 2005 and to pledge our support for repealing the unfunded mandate on local governments that will take effect under that law on January 1, 2011.

We are grateful for your concern that the withholding provision inserted into the conference report will impose an unfunded mandate by driving up costs for local governments. In fact, the Joint Committee on Taxation and the Congressional Budget Office have jointly determined that the provision is an intergovernmental mandate exceeding the threshold specified in the Unfunded Mandates Reform Act (\$64 million for 2006, adjusted annually for inflation).

We look forward to working with you to repeal this provision. For assistance from our organizations on this issue, please contact Alysoun McLaughlin with the National Association of Counties (202-942-4254/amclaughlin@naco.org), Alex Ponder with the National League of Cities (202-626-3028/ponder@nlc.org) or Susan Gaffney with the Government Finance Officers Association (202-393-8020/sgaffney@gfoa.org).

Sincerely,

Larry E. Naake  
Executive Director  
National Association of Counties

Donald J. Borut  
Executive Director  
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Government Finance Officers Association